

Due Process Compliance Statement: Exposure Draft Business Combinations – Disclosures, Goodwill and Impairment – Proposed amendments to IFRS 3 and IAS 36

The International Accounting Standards Board (IASB) published the Exposure Draft (ED) *Business Combinations – Disclosures, Goodwill and Impairment*¹ Proposed amendments to IFRS 3 and IAS 36 on 14 March 2024.

The IASB comment period ended on 15 July 2024.

Influencing process

Project preparation

| Step | Mandatory / optional ² | Metrics or evidence | UKEB Secretariat comments |
|--|-----------------------------------|--|---|
| Added to UKEB technical work plan [Due Process Handbook (Handbook) 4.30] | Mandatory | Project included in the UKEB published technical work plan | Complete: the Exposure Draft (ED) was anticipated and included in the UKEB technical work plan published in January 2023 . |

¹ The [Exposure Draft *Business Combinations – Disclosures, Goodwill and Impairment*](#) is available on the project page of the IASB website.

² In accordance with the [UKEB Due Process Handbook](#) published December 2022 on the [UKEB website](#).

| Step | Mandatory / optional ² | Metrics or evidence | UKEB Secretariat comments |
|---|-----------------------------------|--|---|
| Project Initiation Plan (PIP) [Handbook 5.4 to 5.8, A1 to A2 and A12 to A14] | Mandatory | PIP draft with project outline (background, scope, project objective) and approach for influencing (key milestones and timing) | <p>Complete: The UKEB Secretariat included mandatory milestones for the project and considered, as appropriate, other milestones and activities.</p> <p>The PIP was approved at the 28 March 2024 Board meeting.</p> |
| | Mandatory | Outreach plan for stakeholders and communication approach outlined | <p>Complete: The PIP included the outreach plan and approach.</p> |
| | Mandatory | Resources allocated | <p>Complete: One project director, with technical support and oversight from a senior project director, was allocated to the project.</p> |
| | Mandatory | Assessment of whether to set up an ad-hoc advisory group | <p>Complete: Taking a proportionate approach, an ad-hoc advisory group was not considered necessary due to specialist technical knowledge not deemed necessary for the project.</p> |
| | Mandatory | Assessment of whether PIP required updating | <p>Complete: No updates to the PIP were required.</p> |

| Step | Mandatory / optional ² | Metrics or evidence | UKEB Secretariat comments |
|---|-----------------------------------|---|---|
| Project Initiation Plan (PIP) [Handbook 5.4 to 5.8, A1 to A2 and A12 to A14] (continued) | Mandatory | UKEB Board public meeting held to approve PIP | Complete: The PIP was approved at the 28 March 2024 Board meeting . |
| Education sessions [Handbook 4.10] | Optional | Board provided with education session | Complete: The Board was provided with an education session on the IASB's tentative decisions expected in the ED at the 23 February 2024 Board meeting – see Private meeting agenda . |

Desk-based research

| Step | Mandatory / optional ² | Metrics or evidence | UKEB Secretariat comments |
|---|-----------------------------------|----------------------------------|--|
| Desk-based research [Handbook 5.9 and A3] | Optional | Review of relevant documentation | Complete: the UKEB Secretariat has reviewed: <ul style="list-style-type: none"> • The IASB's work on the project, including the staff papers and the ED; • The Illustrative Examples accompanying IFRS 3 and IAS 36 included in the ED and the Basis for Conclusions to the ED; • Other educational material published by the IASB on their project webpage as well as the IASB webcast series on the proposals in the ED. • Other standard-setters' views. |

Outreach

| Step | Mandatory / optional ² | Metrics or evidence | UKEB Secretariat comments |
|---|-----------------------------------|--------------------------|--|
| Outreach activities [Handbook 5.10 to 5.12 and A4 to A8] | Mandatory | Evidence of consultation | <p>Complete: Outreach activities focused on consultation with</p> <ol style="list-style-type: none"> 1. UKEB Advisory Groups; 2. one-to-one interviews with preparers, carried out jointly with the IASB; 3. a user/preparer roundtable event, hosted jointly with the IASB; and 4. obtaining responses to the Draft Comment Letter (DCL). <p>The UKEB received four comment letters. The comment letters received were published on the UKEB project page.</p> |

Draft Comment Letter (DCL)

| Step | Mandatory / optional ² | Metrics or evidence | UKEB Secretariat comments |
|--|-----------------------------------|--|---|
| DCL published for comment (mandatory unless impracticable) [Handbook paragraphs 5.13 to 5.17 and A4(d)] | Mandatory | Comment period set for responses to DCL | <p>Complete: The DCL was published for consultation on 31 May 2024, with a minimum comment period of 30 days - comment deadline 1 July 2024.</p> |
| | Mandatory | Review and approval at a UKEB public meeting | <p>Complete: The draft DCL was reviewed and approved, subject to suggested changes, at the 24 May 2024 Board meeting.</p> |

| Step | Mandatory / optional ² | Metrics or evidence | UKEB Secretariat comments |
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| | Mandatory | DCL published on website for public consultation | Complete: The DCL was published for consultation on 31 May 2024, with a comment deadline of 1 July 2024. |

Project finalisation and project closure

| Step | Mandatory / optional ² | Metrics or evidence | UKEB Secretariat comments |
|--|-----------------------------------|---|---|
| Final Comment Letter (FCL) [Handbook paragraph 5.18 and A4(d)] | Mandatory | Public responses to DCL considered and published on website | Complete: The UKEB received four comment letters which were published on the UKEB project webpage . All responses were assessed, reflected as appropriate in the FCL, and summarised in the Feedback Statement. |
| | Mandatory | FCL approved by the UKEB in public meeting | Complete: A FCL was presented for approval at the 18 July 2024 Board meeting . The Board approved the FCL subject to suggested amendments. |
| | Mandatory | FCL submitted to the IASB and posted on UKEB website | Complete: The FCL was submitted to the IASB on 19 July 2024 and posted on the UKEB project webpage on 22 July 2024. |
| Feedback Statement [Handbook 5.19 to 5.22 and A9 to A11] | Mandatory | Feedback Statement approved for publication by the UKEB in a public meeting | Complete: A Feedback Statement was presented for approval at the 18 July 2024 Board meeting . The Board approved the Feedback Statement, subject to editorial changes. |

| Step | Mandatory / optional ² | Metrics or evidence | UKEB Secretariat comments |
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| | Mandatory | Feedback Statement published on the UKEB website | Complete: The Feedback Statement was published on the UKEB project webpage on 25 July 2024. |
| Due Process Compliance Statement (DPCS) [Handbook 5.23 to 5.26 and A12 to A14] | Mandatory | DPCS approved by the UKEB in public meeting | Complete: A draft DPCS was presented for approval at the 18 July 2024 Board meeting . The final DPCS was presented for noting at the 19 September 2024 Board meeting . |
| | Mandatory | DPCS published on the UKEB website | Complete: The final DPCS was published on the UKEB project webpage after the 19 September 2024 Board meeting. |

Ongoing communications

| Step | Mandatory / optional ² | Metrics or evidence | UKEB Secretariat comments |
|---|-----------------------------------|--|--|
| Public Board meetings [Handbook 4.10] | Mandatory | UKEB public meetings held to discuss technical project | Complete: The board received various updates on the IASB redeliberation on the project: <ul style="list-style-type: none"> • October 2022 IASB General update paper (p10-12) • December 2022 IASB General update paper (p20-21) • January 2023 IASB General update paper (p34-35) • February 2023 IASB General update paper (p36-38) |

| Step | Mandatory / optional ² | Metrics or evidence | UKEB Secretariat comments |
|--|-----------------------------------|--|--|
| | | | <ul style="list-style-type: none"> • March 2023 IASB General update paper (p27-32) • April 2023 IASB General update paper - Appendix 8E • June 2023 IASB General update paper – Appendix D <p>The Board received an update, for discussion, on the IASB’s tentative decisions on the project at the 19 October 2023 Board meeting.</p> <p>The Board discussed an initial technical paper at the 26 April 2024 Board meeting.</p> <p>The Board approved:</p> <ul style="list-style-type: none"> • the PIP at the 28 March 2024 Board meeting; • the DCL, subject to suggested changes, at the 24 May 2024 Board meeting; and • the FCL and Feedback Statement, subject to suggested changes, at the 18 July 2024 Board meeting. |
| <p>Secretariat papers [Handbook 4.20]</p> | <p>Mandatory</p> | <p>Board meeting papers posted and publicly available usually no later than 5 working days before a Board meeting.</p> | <p>Complete: The UKEB’s meeting papers were published on the UKEB website five working days before the public meetings. Meeting minutes and recordings were made publicly available via the UKEB website - Events webpage.</p> |

| Step | Mandatory / optional ² | Metrics or evidence | UKEB Secretariat comments |
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| Project webpage [Handbook 4.25(b)] | Mandatory | Project webpage contains a project description with up-to-date information on the project. | Complete: The UKEB project webpage has been updated regularly on a timely basis. |
| Subscriber Alerts [Handbook 4.24] | Optional | Evidence that subscriber alerts have occurred | Complete: Subscribers were alerted via email five days before each Board meeting, with links to the agenda, papers and the option to dial in to observe the discussion. |
| News Alerts [Handbook 4.24] | Optional | News Alert to announce publication of key documents | Complete: A News Alert was published on 31 May 2024 calling for comments on the DCL. A News Alert announcing publication of the FCL and Feedback Statement was published on 26 July 2024. |

| Conclusion |
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| This project complies with the applicable due process steps, as set out in the UKEB Due Process Handbook published December 2022 on the UKEB website . |